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ABSTRACT

The State of New York conducted an audit on the Court Reporting Institute (CRI), a two-year registered business school, to determine whether CRI's management complied with relevant laws and regulations for certifying students as eligible for the Tuition Assistance Program (TAP) awards. Results indicated that CRI was overpaid a total of $817,909 in TAP awards during a six-year period that ended in 1995. During the audit, discrepancies found between the school's student transcripts and its course attendance registers rendered much information unreliable and led auditors to disallow all 1,599 TAP awards. The questionable validity of the school's records also suggests the possibility of illegal acts or improprieties. The report discusses these altered records and addresses statistical sample issues, ineligible awards from the statistical sample, and general requirements. The criteria, audit determination, school officials' position, and auditor's comments are provided. Also reviewed: graduates not offered the program as approved; students not in full-time attendance; students not in good academic standing; classes exceeding the student/teacher ratio; and TAP not being posted. The State of New York recommended that the Higher Education Services Corporation recover the total $817,909 plus applicable interest from CRI. (YKH)

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Tuition Assistance Program (TAP) at Court Reporting Institute (CRI).

Audit for 1989-1990 through 1994-1995 Academic Years.

Report 95-T-13

Carmen Maldonado

New York State Office of the Comptroller

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JC 980 240

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STATE COMPTROLLER

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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

May 26, 1998

Mr. Richard Mills
Commissioner
State Education Department
Education Building
Albany, NY 12234

Mr. Robert J. Maurer
President
Higher Education Services Corporation
99 Washington Avenue
Albany, NY 12255

Re: Court Reporting Institute
Report 95-T-13

Dear Mr. Mills and Mr. Maurer:

According to the State Comptroller's authority as set forth in Section 1, Article V of the State Constitution, Section 8, Article 2 of the State Finance Law and a Memorandum of Agreement dated December 1, 1989 involving the State Comptroller, the Commissioner of Education, the President of the Higher Education Services Corporation (HESC), and the Director of the Budget, we audited the records and procedures used in administering the Tuition Assistance Program (TAP) at the Court Reporting Institute (CRI) for the 1989-90 through 1994-95 academic years.

Summary Conclusions

According to Section 665(3)(b) of the Education Law (Law), we determined that CRI was overpaid a total of $817,909 in TAP awards received during the six-year period ended June 30, 1995. During our audit, CRI officials provided copies of students' transcripts and course attendance registers. Some of these copies contained contradictory information, and, as a result we could not rely on the information provided. Therefore, we disallowed all 1,599 TAP awards, totaling $817,909, paid to CRI for the 1989-90 through 1994-95 academic years. We recommend that HESC recover the total $817,909 plus applicable interest from CRI.

In addition, certain matters came to our attention regarding the accuracy and validity of transcripts and attendance registers. These issues indicate the possibility of improprieties or illegal acts. As required by Section 665(3)(b) of the Law, we are reporting these matters separately to the State Attorney General's Office.

Background

CRI was a two-year registered business school located in Melville, NY. CRI offered court reporting and medical transcription programs, leading to a diploma. These two programs were approved by the State Education Department (SED) for TAP eligibility. SED denied CRI's license to operate as a licensed registered business school on July 10, 1997.

TAP is the largest of the various student grant and scholarship programs administered by HESC. It is an entitlement program designed to provide tuition aid to eligible full-time students who are enrolled in a variety of programs.

Draft copies of this report were provided to SED, HESC and CRI officials for their review and comment. CRI officials disagree with the issues contained in the report. HESC and SED officials were in agreement with the findings and conclusions reported. Further, SED officials stated that staff from their Bureau of Proprietary School Supervision had previously reviewed operations at CRI as a result of student complaints filed against CRI. During their review, SED officials documented misrepresentations and fraudulent claims made by CRI officials. They also found patterns of altered records, inaccurate financial ledgers, overcrowded classes, failure to properly monitor satisfactory academic progress, and multiple copies of enrollment agreements and attendance registers similar to the findings contained in this report. We have taken into consideration all comments provided, in the preparation of this final report.

Audit Scope

The objective of our financial and compliance audit was to determine whether CRI's management complied with relevant laws and regulations for certifying students as eligible for TAP awards. The scope of our audit did not include reviewing the records and procedures of HESC for determining the amount of the awards.

According to HESC's records, CRI certified 1,599 TAP awards totaling $817,909 for 386 students during the 1989-90 through 1994-95 academic years. We reviewed a statistical sample of 120 randomly selected awards totaling $69,890 paid on behalf of 110 students.

We did our audit according to generally accepted government auditing standards. Such standards require that we plan and do our audit to adequately assess those operations of CRI which are included within our audit scope. These standards also require that we review and report on CRI's internal control system and its compliance with those laws, rules and regulations that are

relevant to CRI's operations that are included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary. An audit also includes assessing the estimates, judgments and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions and recommendation.

In planning and doing our audit of CRI, we reviewed management's internal control system. Our audit was limited to a preliminary review of the internal control system to obtain an understanding of the environment and the flow of transactions through the accounting system and other systems supporting the claims for student financial aid.

CRI's management is responsible for complying with the Law and the Commissioner of Education's Rules and Regulations (Regulations). In connection with our audit, we tested compliance with certain provisions of the Law and Regulations. Our objective in doing these tests was to obtain reasonable assurance that TAP was awarded on behalf of only eligible students.

Audit Results

The results of our audit indicate that, for the transactions and records tested, CRI did not comply with provisions referred to in the preceding paragraph. A school's transcripts and attendance registers are essential source documents needed to support students' TAP eligibility. Section 126.4(e)(1) defines the information that should be maintained on schools attendance registers, which includes the name of the course, the time and date, the room number and the instructors name. However, in response to our preliminary findings and draft report questioning students' TAP eligibility, CRI officials provided us with multiple copies of transcripts for the same student. They also provided us with attendance registers for many students, some of which appear to have been altered and contain contradictory information. We cannot determine which, if any, of these documents are the original transcripts and attendance registers, and we have no assurance of the accuracy and reliability of any of these records. Therefore, we recommend a disallowance of the total TAP awards certified by CRI officials during the 1989-90 through 1994-95 academic years.

CRI officials responded to the draft report that we did not provide them adequate information about the audit disallowances cited in the report. This is not true. We previously provided detailed schedules of audit disallowances and included individual student summary sheets with the preliminary audit findings. Since we did not accept their contentions made in response to the preliminary audit findings, the audit disallowances remained the same. Therefore, we provided CRI officials only the detailed schedules of audit disallowances but not the individual student summary sheets. Furthermore, it is apparent that CRI used the detailed student summary sheets we had previously provided, because their response to the draft report corresponds exactly with the information of the individual student summary sheets.

Additionally, in response to the audit findings relating to students not being offered the program as approved, officials state that they used a self-paced process approved by SED for their skill-based courses. This means that students progress at their own pace after meeting the course requirements. For example, CRI established word-per-minute (wpm) requirements for the various levels of its Stenotype courses. As a student meets the wpm requirement, the student progresses to the next level of Stenotype regardless of whether the term ended. After completing the course requirement, these students immediately moved to the next level, even though the next level course was already in progress.

However, the documentation CRI officials submitted with their response does not support that students followed the self-paced process. None of the transcripts provided showed that the student completed one level of Stenotype and moved to the next level before the end of the term. Rather, in most cases the transcripts showed that the students completed each course, attending the full 240 hours. For example, CRI responded that one student completed Stenotype II in 24 hours and progressed to Stenotype III. However, this student's transcript showed that she attended Stenotype II for the entire 240 hour course length and then moved to Stenotype III.

Further, in summarizing their overall comments to this report, CRI officials contend that comparable course hours were substituted for course hours where students were short hours. They referred to guidance concerning substitution of comparable course hours established by a 1980 letter from SED to the auditors. This letter specifies the manner in which course hours are counted and the manner in which comparable course hours may be substituted towards meeting the student's program requirements. However, CRI officials did not provide any documentation that corroborated that comparable course hours were substituted. As mentioned previously, CRI's transcripts show the students attended each of the Stenotype courses for at least the minimum 240 hours.

We recommend that HESC recover all TAP awards paid to CRI for the six-year audit period totaling of $817,909. The following information provides examples of specific situations which led us to conclude that the information provided by CRI officials cannot be relied on to ensure that only eligible students are certified for TAP awards.

Altered Records

Section 126.4 of the Commissioner's Regulations requires that schools maintain attendance registers for each course, with detailed information about the course and when it was offered. Since CRI offers only two TAP-eligible programs, many of the students in our statistical sample were enrolled in the same program and taking the same courses. Initially, we provided CRI officials with the names of the students for whom we needed attendance registers. CRI officials provided us with copies of attendance registers for each student on our list.

However, in comparing the attendance registers we found that certain registers for the same courses in the same terms had different information. Specifically:

- Two attendance registers for the same class had different students' names listed.
- Two attendance registers for the same class had different teachers signatures.
- The names of some students in our sample appeared as handwritten entries on the attendance registers where other students' names were computer printed or typed.
- Based on attendance registers provided by CRI officials, certain classes exceeded the SED-approved student/teacher ratio. When we compared these attendance registers to copies of CRI's attendance registers on file at SED, we found that CRI officials had sent SED attendance registers which were in compliance with the approved student/teacher ratio.
- CRI officials initially had a difficult time locating certain attendance registers. When they did provide these registers to us, we found that they appeared to have been newly created, because they were clean and less worn than other attendance registers provided.
- After we determined that a student's transcript did not reconcile with the attendance registers, CRI officials provided us with a different transcript for this student that showed different courses. We do not know which of these transcripts is accurate.

Later in the audit, we requested attendance registers without identifying the students in our sample. We found that the attendance registers CRI officials provided did not include the names of some of the students, that we were looking for, although the students' transcripts stated that they took these courses.

Finally, CRI officials also changed the course names on attendance registers. For example, we requested an attendance register for "Steno 4." The attendance register CRI officials gave us had originally been titled "Steno 3" but its title had been changed to "Steno 4." When we raised this issue as a preliminary audit finding, CRI officials responded by providing another copy of the same attendance register, claiming that the register was really for "Steno 3" and "Steno 4" combined. Based on these changes, we cannot be certain that the attendance register was for "Steno 3" or "Steno 4."

CRI officials provided various explanations for these situations we identified. For example, they responded that one particular student's name was missing from one set of attendance registers through an error. Once the error was discovered by the instructor, CRI officials corrected the computerized attendance register and reprinted it for verification by the teacher. In another example, CRI responded that a single page of the attendance register was missing because either the page may have been misfiled, or the page may have been omitted in the initial photocopying process for the auditors. Officials also explained that different copies of the same

student's transcript did not match because CRI's procedures did not include the recording of grades on the transcripts for courses which the student attended, but had not yet completed by the end of the term. Accordingly, another transcript was prepared which included all courses that the student attended without regard for whether the student completed the courses.

Additionally, they stated that "the supposedly 'altered' records were probably reprinted by CRI before the audit as part of CRI's upgrading procedures. It is also possible the first set of computerized attendance records was misplaced. Accordingly, CRI officials may have had to download the missing records for verification by the teacher." CRI officials further responded that because Stenotype courses are offered on a self-paced basis the "Names of students who may have been late entries into the class were not routinely typed onto CRI's attendance registers at the beginning of the quarter, but were normally entered by the teacher when the student joins the class."

To explain the difference in SED's copies of attendance registers that we obtained, CRI responded that "it is entirely possible that CRI officials thought that the records were lost or misplaced after the first set of attendance registers had been submitted to SED, although CRI officials do not recall providing these records to SED since no originals were found on file which match the copies provided by SED to the auditors. In the event those records were misplaced or lost, CRI officials may have produced these records, prior to the audit for internal use based on the Permanent Student Attendance Cards found in each student's file and teacher grade books which may not have contained the names of students in the same order or the same group as listed on the SED copy due to the student entering the class at a later date or leaving the class prior to the end of the quarter." However, we found that the Permanent Student Attendance Cards did not reconcile with the transcripts or attendance registers.

Further CRI officials added that there was no way they could have created new attendance registers after 1996 using these cards because the supply of these cards was completely exhausted by late 1992. Additionally, CRI responded that "it appears that the manufacturer produced and distributed a slightly lighter shade of cardstock. Other factors may have affected the appearance of the cards, such as exposure to light and outside elements or care taken by instructors when handling the records."

We cannot accept these explanations offered by CRI. In most cases, the statements offered could not be confirmed with documentation. In other cases, the explanations did not seem plausible. Therefore, we maintain our recommendation for a disallowance of all TAP awards that CRI received because we have no assurance that any information provided by CRI officials was accurate.

Statistical Sample Issues

The following table summarizes the ineligible awards identified during our review of the 120 statistically selected TAP awards. Based on these results, we are recommending a total

disallowance of all TAP awards granted to students at CRI during the six-year audit period ended 1994-95. We determined that 96 of the 120 statistically sampled awards were paid on behalf of students who were not eligible for TAP awards. CRI officials did provide documentation for the remaining 24 awards that appeared to support the students' eligibility to receive them. However, as we noted in the previous section, we have no assurance that the documentation provided was accurate.

Ineligible Awards from the Statistical Sample	Number of Awards	Amount
Graduates Not Offered the Program as Approved:		
Students Not Offered 1,440 Approved Hours	34	$19,888
Core Requirements Not Met	19	10,955
Students Not in Full-Time Attendance	68	40,402
Students Not in Good Academic Standing	45	22,953
Classes Exceeded Student/Teacher Ratio	4	2,795
TAP Not Posted	2	1,538
Ineligible Awards in the Statistical Sample	172	$98,531
Less: Ineligible Awards Disallowed For Multiple Reasons	76	41,933
Total Ineligible Awards	96	$56,598

We discuss the various types of ineligible awards in the following sections of this report.

General Requirements

Registered business schools must follow requirements established in the Law, Regulations and SED guidelines to ensure that their course hours are taught in an educationally sound manner and in accordance with SED's program approval. Course hours which are not taught in compliance with these requirements do not count toward total hours when calculating whether a student was offered the appropriate number of course hours for TAP eligibility. To determine our TAP disallowances for each student, we reviewed the school's attendance registers to calculate the number of hours that students were taught in an educationally unsound manner.

For the students who graduated, we determined whether the school offered a program which met the minimum 1,440 hour requirement established in Section 145-2.3 of the Regulations. We also determined whether the school offered these students their program in accordance with the specific requirements stated in SED's program approval as required in Section 126 of the Regulations.

Other requirements applicable to graduate and non-graduate students include Section 661 of the Law, which requires that a student be in full-time attendance, as defined by the Commissioner of Education, to be eligible for financial aid awards. Any course hours which a student was offered that were taught in an educationally unsound manner, do not count toward a student's full-time status.

Section 5002 of the Law requires registered business schools to employ teachers who are licensed by SED. Accordingly, we did not count hours for courses, taught by teachers who SED determined were not qualified to teach the subjects they were teaching, toward a student's TAP eligibility.

Section 126.4 of the Regulations states, "...the Commissioner shall approve the student-to-teacher ratio for each course or curricula. Schools shall ensure that student enrollment on the attendance register does not exceed the approved ratio after the first week of instruction." In accordance with this requirement, we did not count hours toward a student's TAP eligibility when courses exceed the SED-approved student/teacher ratio.

Graduates Not Offered Program As Approved

Criteria - Section 601.4 of the Law requires that students attending a registered business school be enrolled in an approved two-year program to be eligible for TAP awards. Section 145-2.3 of the Regulations defines an approved program as one that provides at least 1,440 instructional hours and is approved by SED under Section 126 of the Regulations.

SED's program approval defines the specific core curriculum which they have determined provides the most essential skills or competencies needed for students to meet the occupational objectives of the program. SED has established criteria to determine whether any deviations from the approved program's core requirements are serious enough to cause the program to lose its approved status for TAP purposes. SED has concluded that a program's TAP eligibility is lost if a core course was offered for less than 90 percent of its approved length and the total number of instructional hours offered was less than 1,440.

Audit Determination - We identified 34 awards from our statistical sample period paid to 24 students who graduated from CRI, but who were not offered a program that provided at least 1,440 approved instructional hours as required. Also, we determined that 19 awards were paid to 13 students who graduated but did not successfully complete their program's core course requirements. In calculating the 1,440 hour requirement for each student in the sample, we did not count course hours for the following situations:

- Courses for which the actual student/teacher ratio exceeded the SED-approved ratio;
- Courses that were combined with other courses without SED's approval;

- A course offered at a time when the teacher listed was teaching a different course in a different location;
- Courses in which the prerequisites were not met;
- Courses for which less than 90 percent of the total approved hours were offered;
- Courses where a passing grade had previously been earned; and
- Courses for which attendance records were not provided.

SED has advised us that when the total of the course hours taught in an educationally unsound manner exceeds ten percent of the approved course length, the entire course is not counted toward meeting the 1,440 hour or the core course requirements.

School Officials' Position - CRI officials stated that we did not provide them adequate information to respond in detail about the audit disallowances cited in the report for students who did not meet the 1,440 hour requirement. Further, they maintain that graduates were offered programs that provided at least 1,440 approved instructional hours and successfully completed their program's core requirements as required by the Regulations. Officials also stated that CRI's speed-building Stenotype courses are offered in a self-paced format. Students enrolled in these courses progress from one level to the next as their typing speed reaches the required level. Therefore, the beginning and ending dates of these particular courses do not necessarily coincide with the beginning and ending dates of the regularly scheduled courses in a quarter. They also indicated that the auditors did not give the students full credit for these course hours because they did not count any hours for the students who entered Stenotype classes prior to, or ended Stenotype classes after the regular quarter schedule.

Auditors' Comments - As mentioned previously, we provided CRI officials the detailed schedules of audit disallowances and the individual student summary sheets with the preliminary audit findings. We did not change any disallowances between the preliminary findings and the draft report. We believe CRI had adequate information because they provided a voluminous amount of detailed information in their response to the draft report that corresponds directly to the information on the individual student summary sheets we gave them with the preliminary audit findings.

However, officials did not provide adequate documentation to support their position that the students attended self-paced courses. For example, officials responded that one student took Stenotype II for only 24 hours before progressing to Stenotype III. However, this student's transcript shows that she attended Stenotype II for the entire 240 hours. Also, we reviewed attendance registers for courses listed on the students' transcripts. We counted the hours documented in the attendance registers for all courses listed on the students' transcripts, including the self-paced Stenotype courses. We did not count hours for courses for which the attendance

registers and the transcripts did not reconcile. Also, we did not count course hours from attendance registers, provided to us later in the audit, because the attendance registers indicated that multiple classes were combined in one room.

Students Not in Full-Time Attendance

Criteria - Section 661 of the Law requires that a student be in full-time attendance, as defined by the Commissioner, to be eligible for financial aid awards. Section 145-2.1 of the Regulations states that in noncollegiate programs, which measure study in terms of instructional hours, full-time study requires at least 24 instructional hours a week. Instructional hours that were taught in an educationally unsound manner are not counted toward full-time status.

Audit Determination - We found 68 awards in our statistical sample that were paid to students who did not maintain full-time status. They were not full-time for the reasons listed below.

- Students were enrolled in courses that were combined with other courses without SED approval.
- Students were offered course hours which totaled less than 90 percent of the approved course length.
- Students were reported as attending courses at times when the listed instructor was teaching another course.
- Students were enrolled in courses for which they had already received a passing grade.
- A student did not attend any classes during terms for which TAP awards were paid.

School Officials' Position - CRI officials agreed with nine of these disallowed awards for students who were not in full-time attendance. However, they disagreed with the remaining 59 awards, stating that these students were enrolled in the required number of hours to meet the full-time requirement. They were enrolled in self-paced skills courses which allow the students to advance to the next level course at the point when they meet the requirements of the level they are enrolled in, regardless of when in the term that occurs.

Auditors' Comments - Based on our review of CRI's transcripts and attendance records, we found that these courses were not taught in a self-paced mode. The transcripts show that students took courses that were scheduled for 240 hours per term. The transcripts do not reflect that students completed one level of Stenotype and advanced to the next level before the end of the term, as CRI officials describe. Further, based on the combined courses, the teacher teaching two courses at the same time, and the course hours offered for less than the required time, we determined that these courses were not taught in an educationally sound manner. Therefore, we did not count the hours toward full-time attendance.

Students Not in Good Academic Standing

Criteria - Section 665 of the Law requires that students be in good academic standing to maintain eligibility for TAP awards. Section 145-2.2 of the Regulations states that to maintain good academic standing a student must (1) make satisfactory academic progress toward completion of a program and (2) pursue the program of study in which he or she is enrolled.

In order to meet satisfactory academic progress requirements, a student must have accrued at least a certain number of credits with at least a certain cumulative grade point average as required on the Satisfactory Academic Progress chart, approved by SED. A student is considered to be pursuing the approved program of study if, during each term of study for which an award is received, the student receives a passing or failing grade in at least a predetermined percentage of the minimum full-time course load.

When a student fails to maintain good academic standing, the student loses prospective TAP eligibility. A student may regain good academic standing either by using a one-time TAP waiver, making up the deficiency at his own expense, remaining out of school for one year, or transferring to another school.

Audit Determination - We identified 45 awards from our statistical sample that were paid to students who failed to maintain good academic standing. These students did not achieve the minimum grade point average required to meet satisfactory academic progress or did not receive passing or failing grades in the required number of courses to meet the pursuit of program requirement. Therefore, they were not eligible for the awards they received.

School Officials' Position - CRI officials disagree with 34 of these disallowed awards. They state that their catalog outlines the requirement that students receiving a grade of incomplete in a speedbuilding class must repeat the course during the succeeding quarter and receive a passing or failing grade by the end of the quarter. They state that this policy is within the TAP guidelines. These students completed their word-per-minute requirements and passed the tests required to meet pursuit of program requirements.

Auditors' Comments - The students we identified were not eligible for the TAP awards they received. Most of these students did not receive passing or failing grades in the required number of courses each team to maintain pursuit of program.

Classes Exceeded Student/Teacher Ratio

Criteria - Section 126.4 of the Regulations states, "...the Commissioner shall approve the student/teacher ratio for each course or curricula. Schools shall ensure that student enrollment on the attendance register does not exceed the approved student/teacher ratio after the first week of instruction." SED has approved student/teacher ratios of 30:1 for theory courses and 25:1 for skill

courses at CRI. We did not count courses that exceeded these student/teacher ratios as applicable in meeting full-time status.

Audit Determination - We identified four awards paid to students who attended courses that exceeded the approved student/teacher ratios. These courses exceeded the SED-approved ratios by anywhere from eight to thirteen students. Consequently, CRI did not teach the curriculum as approved. Therefore, these students were not eligible for their TAP awards.

School Officials' Position - CRI officials stated that these students were enrolled in classes that did not exceed the student/teacher ratios.

Auditors' Comments - CRI officials did not provide sufficient documentation to support their position. In their response, CRI officials provided attendance registers for classes that we found were overcrowded. However, these attendance registers differed from attendance registers CRI submitted to SED. We found that CRI officials left names off the copies of the attendance registers they sent to SED. As a result, the attendance registers showed that the classes met the SED-approved student/teacher ratios. Also, SED officials told us that they have affidavits from former employees that state CRI officials maintained more than one copy of the attendance registers.

TAP Not Posted

Criteria - Section 2205.3(d) of the Regulations requires that each student account be credited for the TAP award within seven days from the date a full tuition liability has been incurred for the semester, quarter or term of attendance.

Audit Determination - We found that CRI received two awards on behalf of two students, but did not credit the students' accounts for the awards received. CRI officials did not properly distribute TAP funds so these students could benefit from the awards.

School Officials' Position - CRI officials disagreed with both of these disallowed awards. They stated that one student was not full-time and the other was not enrolled therefore, officials decertified both awards. They submitted a copy of only one student change form, which they state was submitted to HESC on June 15, 1995 to decertify one student's award.

Auditors' Comments - According to officials at HESC, there is no change form on file from CRI decertifying this award. Furthermore, for the other award, CRI officials had previously responded that this award was certified in error. However, they now state in this response, that they decertified this award which was paid during the Spring 1990 term. Our review showed that CRI officials did not decertify this award. Additionally, they did not provided a copy of the change form they used to decertify this award.

Recommendation to the Higher Education Services Corporation

Although CRI is not operating as a licensed business school at this time, they are still in operation. Therefore, we recommend that HESC work to recover $817,909 plus applicable interest, from CRI for its incorrect TAP certifications.

Since this school is not in operation as a licensed business school under SED regulations, at this time, we do not have any recommendations for the State Education Department.

Major contributors to this report were William Challice, David R. Hancox, Frank Russo, Kenneth I. Shulman, April Neitlich, Helen Crick, Kitty Cheung and Don Collins.

We wish to express our appreciation to the management and staff of CRI for their courtesies and cooperation extended to our auditors during this audit.

Yours truly,

Carmen Maldonado

Carmen Maldonado
Audit Director

cc: Mary Hauptman
Robert L. King